



GOVERNMENT NATIONAL  
MORTGAGE ASSOCIATION

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-9000

February 2, 2010

APM 10-02

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: Mary K. Kinney, Executive Vice President

SUBJECT: Increased Net Worth Reminder

Ginnie Mae would like to remind Issuers that pursuant to APM 08-17 dated September 12, 2008, all Issuers must comply with the increased minimum net worth requirement of **\$1 million** for all Single Family MBS and HMBS Issuers by October 1, 2010. This increase does not apply to the multifamily net worth requirement, which remains at \$500,000.

The \$1 million net worth requirement has already been applied to new Issuers that entered the program on or after October 1, 2008. Existing Issuers were granted a two-year grace period to comply with the \$1 million requirement.

Issuers are therefore urged to plan ahead to ensure compliance with this program requirement. For Ginnie Mae purposes, an Issuer's net worth is based on the Issuer's annual audited financial statements less unacceptable assets, which are described in Chapter 6, Attachment A of the Consolidated HUD Audit Guide, HUD Handbook 2000.4. If necessary, an Issuer may increase its adjusted net worth amount between audit periods by infusing additional capital into the Issuer's organization. The amount of the capital contribution must be verified, in writing, by a certified public accounting firm.

For additional assistance, Issuers may contact their Ginnie Mae Account Executive in the Office of Mortgage-Backed Securities at (202) 708-1535.